



CALL TO MEETING

Annual and Extraordinary Shareholders' Meeting

Thursday, April 22, 2010

3:00 p.m.

**La Maison de la Chimie
28 Rue Saint-Dominique
75007 Paris, France**

Toll-free number for shareholders in France

0 800 20 55 14

www.schneider-electric.com

SCHNEIDER ELECTRIC SA

A JOINT STOCK COMPANY (SOCIETE ANONYME) WITH A MANAGEMENT BOARD/SUPERVISORY BOARD

WITH ISSUED CAPITAL OF € 2,102,016,200

HEADQUARTERS 35 rue Joseph Monier - CS 92506 - Rueil-Malmaison, France

Registered in Nanterre under no. 542 048 574

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Note: Use the attached form to request an admission card

The shareholders of Schneider Electric SA are hereby called to meeting on **April 22, 2010**.
The Combined Annual and Extraordinary Meeting will be held at **3:00 p.m.** at:

**La Maison de la Chimie
28 Rue Saint-Dominique
75007 Paris, France**

to consider the items below.

The draft resolutions to be tabled at the meeting are provided on pages 22-28.

Agenda

Reports and resolutions to be presented in Annual Meeting

- Reports of the Management Board, the Supervisory Board and the Statutory Auditors on the financial statements for the year ended December 31, 2009
- Approval of the 2009 parent company financial statements
- Approval of the 2009 consolidated financial statements
- Appropriation of profit for the year, dividend and dividend reinvestment option
- Approval of the report on regulated agreements signed in 2009 or signed and approved in previous years
- Approval of the decision to allow Emmanuel Babeau to join the top hat pension plan for French senior executives
- Re-election of Henri Lachmann (for two years), Serge Weinberg, Gérard de la Martinière, Noël Forgeard, Cathy Kopp and James Ross (for two years) as members of the Supervisory Board
- Re-appointment of Ernst & Young et Autres and Mazars as Statutory Auditors
- Appointment of Substitute Auditors
- Authorization to be granted to the Management Board to trade in the Company's shares

Resolutions to be presented in Extraordinary Meeting

- Authorization to be granted to the Management Board to increase the share capital by up to 5 percent by issuing shares or share equivalents without pre-emptive subscription rights as part of a private placement governed by article L.411-2 of the French Monetary and Financial Code
- Authorization to be granted to the Management Board to issue shares to employees who are members of an employee stock purchase plan
- Authorization to be granted to the Management Board to issue shares to employees of non-French companies of the Group or to entities set up to hold shares on their behalf
- Powers

WHO MAY ATTEND THE MEETING

All shareholders are entitled to attend personally or be represented at General Meetings, regardless of the number of shares held, after providing proof of their identity and share ownership. They may also vote by proxy. To participate in the meeting:

- a) Holders of registered and administered registered shares must place their shares on record by midnight CET three days before the General Meeting date, i.e., April 19, 2010.
- b) Holders of bearer shares must place their shares on record by midnight CET three days before the General Meeting date, i.e., April 19, 2010. They must present a statement from the bank or broker that manages their bearer share account attesting that the shares have been placed on record when requesting their admission card. The same statement must also be attached to any remote voting requests or proxy forms. An attestation may also be delivered to any shareholder who wishes to attend the General Meeting in person and has not received an admission card by midnight CET three days before the General Meeting.

Shareholders may request the statement by letter from their bank or broker or from BNP Paribas Securities Services, service des assemblées, Immeuble GMP – Europe, 9 rue du Débarcadère – 93761 Pantin Cedex, France.

HOW TO ATTEND THE MEETING

To attend in person:

You must request an admission card to be admitted to the meeting and to vote (*). To request the card, check box A on the attached form, date and sign the form and send it to the return address.

As in previous years, voting will be conducted using an electronic hand-held terminal.

To ensure that the meeting starts on time and to facilitate the voting process, we ask you to

1. Arrive at 2 pm to present your admission card and sign the attendance sheet.
2. Make sure you have your hand-held voting terminal before entering the auditorium. The terminal will be issued when you sign the attendance sheet.
3. Comply with the instructions for using the terminal provided during the meeting.

() Note: If you requested an admission card and did not receive it in time for the meeting, but can provide proof that your shares were placed on record by midnight CET three days before the General Meeting date, either in the Company's register (for registered shares) or in the bearer share account managed by your banker or broker (for bearer shares) as attested by a statement from your banker or broker, please present your documents at the welcome desk at 2:15 p.m. to attend the meeting.*

If you are unable to attend:

Fill out the attached form to:

1. **Vote by mail.**
2. **Appoint your spouse or another shareholder (individual or legal entity) as Proxy.**
3. **Appoint the Chairman of the Meeting as Proxy.**

The Management Board

HOW TO FILL OUT YOUR FORM

- If you intend to attend the Meeting in person: **tick box A** to request an admission card.
- If you are unable to attend the Meeting and wish to cast a postal vote or appoint a proxy: simply **tick box B** at the top of the form and sign and date it at the bottom.

- To cast a postal vote: tick here.
- To vote **YES** to a resolution leave blank the box next to resolution number concerned.
- To vote **NO** to or abstain from a resolution, fill in the box next to the resolution number concerned.

IMPORTANT : avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso / Before selecting, please see instructions on reverse side
QUELLE QUE SOIT L'OPTION CHOISIE, DATER ET SIGNER AU BAS DU FORMULAIRE / WHICHEVER OPTION IS USED, DATE AND SIGN AT THE BOTTOM OF THE FORM
 A. Je désire assister à cette assemblée et demander une carte d'admission - date et signer au bas du formulaire / I wish to attend the meeting and request an admission card - date and sign at the bottom of the form.
 B. J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes / I prefer to use the postal voting form or the proxy form as specified below.

SCHNEIDER ELECTRIC S.A.
 Société anonyme à directeur et conseil de surveillance
 A limited company with registered and issued capital of 1,979,405,032 €
 Siège Social / Registered office
 35, rue Joseph Monier
 92500 RUEIL MALMAISON
 542 048 574 RCS Nanterre

ASSEMBLÉE GÉNÉRALE MIXTE (ordinaire et extraordinaire)
DU 23 AVRIL 2009
COMBINED GENERAL MEETING (ordinary and extraordinary)
OF APRIL 23, 2009

CADRE RÉSERVÉ / For Company's use only
 Identifiant / Account
 Nominatif Registered VS / single vote
 Porteur / Bearer VD / double vote
 Nombre d'actions Number of shares
 Nombre de voix / Number of voting rights

JE VOTE PAR CORRESPONDANCE / I VOTE BY POST
 Cf. au verso renvoi (3) - See reverse (3)

Je vote OUI à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directeur ou la Gérance, à l'EXCEPTION de ceux que je signale en notifiant comme ceci ■ la case correspondante et pour lesquels je vote NON ou je m'abstiens.
 I vote FOR all the draft resolutions approved by the Board of Directors EXCEPT those indicated by a shaded box - like this ■, for which I vote against or I abstain.

Sur les projets de résolutions non agréés par le Conseil d'Administration ou le Directeur ou la Gérance, je vote en notifiant comme ceci ■ la case correspondante à mon choix.
 On the draft resolutions not approved by the Board of directors, I cast my vote by shading the box of my choice - like this ■.

1	2	3	4	5	6	7	8	9	Oui/Yes	Non/No
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	A <input type="checkbox"/>	F <input type="checkbox"/>
10	11	12	13	14	15	16	17	18	B <input type="checkbox"/>	G <input type="checkbox"/>
19	20	21	22	23	24	25	26	27	C <input type="checkbox"/>	H <input type="checkbox"/>
28	29	30	31	32	33	34	35	36	D <input type="checkbox"/>	J <input type="checkbox"/>
37	38	39	40	41	42	43	44	45	E <input type="checkbox"/>	K <input type="checkbox"/>

Oui/Yes Abst/Abst Non/No Yes Abst/Abst

Si des amendements ou des résolutions nouvelles étaient présentés en assemblée / In case amendments or new resolutions are proposed during the meeting:
 - Je donne pouvoir au Président de l'A.G. de voter en mon nom. / I appoint the Chairman of the meeting to vote on my behalf...
 - Je m'abstiens (l'abstention équivaut à un vote contre). / Abstain from voting (is equivalent to a vote against).....
 - Je donne procuration (cf. au verso renvoi 2) à M, Mme ou Mlle pour voter en mon nom / I appoint (see reverse (2)) Mr, Mrs or Miss / to vote on my behalf.....

Pour être prise en considération, toute formule doit parvenir au plus tard : le 20/04/2009
 In order to be considered, this completed form must be returned at the latest : April 20, 2009

1 / par BNP PARIBAS SECURITIES SERVICES, GCT Assemblées, Immeuble Tobiac, 75450 PARIS Cedex 09

Date & Signature

Whatever you decide to do, do not forget to sign and date the form here.

To grant proxy to the chairman of the General Meeting to vote on your behalf: Simply tick box B at the top of the form and sign and date it at the bottom.

To grant proxy to your spouse or another Schneider Electric SA shareholder, who will represent you at the Meeting: tick here and indicate the name and contact details of your representative.

In every case, the owner of the shares must sign and date the form and to return it as soon as possible to:

- If you hold registered shares:
 BNP Paribas Securities Services
 Global Corporate Trust - Equity France
 Les Grands Moulins de Pantin
 9 rue du débarcadère
 93761 Pantin Cedex
- If you hold bearer shares:
 Your financial intermediary who manages the share account in which your Shneider Electric SA shares are registered.

Supervisory Board

(as of December 31, 2009)

Chairman of the Supervisory Board

Henri Lachmann

Age: 71

Business address: Schneider Electric, 35 rue Joseph Monier, 92500 Rueil-Malmaison, France

27,128 Schneider Electric SA shares ⁽¹⁾

First elected: 1996/Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Chairman of the Supervisory Board of **Schneider Electric SA**; Member of the Supervisory Boards of **Vivendi** and **Norbert Dentressangle**; Director of AXA Assurances IARD Mutuelle; Non-voting director of **Fimalac** and Tajan; Chairman of the Board of Directors of Centre Chirurgical Marie Lannelongue; Chairman of Fondation pour le Droit Continental; Member of Conseil des Prélèvements Obligatoires; Member of the Steering Committee of Institut de l'Entreprise; Director of Association Nationale des Sociétés par Actions; Chairman of Institut Télémaque; Vice Chairman and Treasurer of Institut Montaigne; Member of CODICE; Director of Solidarités Actives, Planet Finance and Fondation Entreprendre.
- Previous directorships and functions held in the past five years: Chairman and Chief Executive Officer of **Schneider Electric SA**; Chairman of **Schneider Electric Industries SAS**, Member of the Supervisory Board of **AXA**, Director of a number of Schneider Electric subsidiaries; Director of **Vivendi Universal**, **Finaxa** and various AXA subsidiaries.

Expertise and experience

A graduate of Hautes Etudes Commerciales (HEC), Henri Lachmann began his career in 1963 with Arthur Andersen. In 1970, he joined Compagnie Industrielle et Financière de Pompey. In 1971 he became Chief Executive Officer of Financière Strafor (later Strafor Facom), where from 1981 to 1997 he served as Chairman and Chief Executive Officer. He was elected to the Schneider Electric SA Board of Directors in 1996 and was appointed Chairman on February 25, 1999. On May 3, 2006, he became Chairman of the Supervisory Board of Schneider Electric SA.

Vice Chairman of the Supervisory Board

Serge Weinberg *

Age: 59

Business address: Weinberg Capital Partners, 20 Rue Quentin Bauchart, 75008 Paris, France

500 Schneider Electric SA shares

First elected: 2005/Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Vice Chairman of the Supervisory Board of **Schneider Electric SA**; Chairman and Chief Executive Officer of Weinberg Capital Partners; Vice Chairman and Director of Financières SASA;

Note: Boldface type indicates companies whose shares trade on a regulated market

(1): Held directly or through a corporate mutual fund

**Independent member according to the definition contained in the AFEP-MEDEF corporate governance guidelines.*

Member of the Supervisory Board of Gucci Group; Director of FNAC, RASEC (since February 2006), Team Partners Group (since November 20, 2006), Financière Poinsetia (since September 11, 2006), VL Holding and SASA Industrie; General Manager of Adoval and Maremma.

- Previous directorships and functions held in the past five years: Chairman of the Board of Directors of **Accor**; Chairman of the Management Board of **Pinault-Printemps-Redoute**; Chairman of the Supervisory Boards of France Printemps, Conforama Holding, Guilbert SA, and Redcats; Member of the Supervisory Boards of Yves Saint-Laurent Parfum, Boucheron Holding and PPR Interactive (PPR's permanent representative); Director of **Schneider Electric SA, Rexel**, PPR Asia and Alliance Industrie; Tennessee's permanent representative on the Board of Directors of **Bouygues**; General Manager of Serole.

Expertise and experience

After graduating from France's Ecole Nationale d'Administration, Serge Weinberg held several positions in the civil service and ministerial offices. He then served as Chief Operating Officer of French television channel FR3, Chief Executive Officer and then Chairman of the Management Board of Havas Tourisme, and Managing Director of Pallas Finance. In 1990, Serge Weinberg joined what would become Pinault-Printemps-Redoute (PPR) when he became Chief Executive of CFAO. Within PPR, he served as Chairman of Rexel (formerly CDME), an electrical equipment distributor. In 1995, he was appointed Chairman of the PPR Management Board, a position he held until early 2005. In March 2005 he founded Weinberg Capital Partners, a company that manages an investment fund specialized in leveraged buyouts and real estate. From 2006 to 2009 he was Chairman of the Board of Directors of Accor.

Members of the Supervisory Board

Léo Apotheker *

Age: 56

Business address: SAP - Immeuble Capital 8 - 32, rue de Monceau - 75008 Paris, France

250 Schneider Electric SA shares

First elected: 2007/Term ends: 2012

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; CEO of **SAP AG**; Member of the Supervisory Board of **AXA**.
- Previous directorships and functions held in the past five years: Non-voting Director of **Schneider Electric SA**; Director of Ginger SA, Enigma Inc. (USA), SAP America Inc. (USA), SAP Global Marketing Inc. (USA), SAP Asia Pte. Ltd. (Singapore), SAP Japan Co. Ltd. (Japan), SAP France SA, SAP Italia Sistemi, applicazioni, prodotti in data processing s.p.a. (Italy), SAP Hellas Systems Application and Data Processing SA (Greece) and SAP (Beijing) Software System Co. Ltd. (China), SAP Manage Ltd (Israel), SAP Finland Oy (Finland) and SAP Denmark A/S (Denmark).

Expertise and experience

Léo Apotheker began his career in 1978 in management control after graduating with a degree in international relations and economics from the Hebrew University in Jerusalem. He then held management and executive responsibilities in several IT firms including SAP France and SAP Belgium, where he was President and CEO between 1988 and 1991. Mr. Apotheker was founding president and COO of ECsoft. In 1995, he came back to SAP as President of SAP France. After serving in various capacities within SAP as president of regional operations, he became a member of the SAP AG Executive Board and President of Global Customer Solutions & Operations in 2002. In 2007, Mr. Apotheker was appointed President CSO and Deputy CEO of SAP AG and in 2008 he was appointed CEO of SAP.

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**Independent member according to the definition contained in the AFEP-MEDEF corporate governance guidelines.*

Claude Briquet

Age: 49

Business address: Schneider Electric Industries SAS, Boulevard Salvador Allende - Zone Industrielle - BP 660 - 16340 L'Isle d'Espagnac, France

758 Schneider Electric SA shares ⁽¹⁾

First elected: 2008/Term ends: 2012

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Boards of **Schneider Electric SA** and the "Schneider France-Germany" corporate mutual fund; responsible for trading in Europe within the Industry department of Schneider Electric's European Operating Division, Director of the "Schneider Energie" socially responsible mutual fund.
- Previous directorships and functions held in the past five years: General Manager of Alombard.

Expertise and experience

An engineering graduate of Ecole Nationale d'Ingénieurs in Tarbes and ENSEEIHT in Toulouse, Claude Briquet joined Schneider Electric in 1985. He began his career in development, quality and production. Mr. Briquet managed the Pacy I plant from 1992 to 1996 and the Vaudreuil plant from 1996 to 1999. He was appointed General Manager of Mafelec in 1999 and of Alombard in 2001. Mr. Briquet is currently responsible for trading in Europe within the Industry department of Schneider Electric's European Operating Division.

Gérard de La Martinière *

Age: 66

Business address: 18 allée du Cloître - 78170 La Celle Saint-Cloud, France

3,428 Schneider Electric SA shares

First elected: 1998/Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Director of **Air Liquide**, Banque d'Orsay and Allo Finance; Member of the Supervisory Board of EFRAG (European Financial Reporting Advisory Group).
- Previous directorships and functions held in the past five years: Chairman of Fédération Française des Sociétés d'Assurances (F.F.S.A) and Chairman of the European Insurance Committee (CEA); Vice Chairman of the European Insurance Committee (CEA); Director of **Schneider Electric SA**; Chairman of the Board of LCH.Clearnet Group Ltd., London; Member of the Supervisory Board of **Air Liquide**; Member of the Supervisory Board of European Financial Reporting Advisory Group (EFRAG).

Expertise and experience

A graduate of Ecole Polytechnique and Ecole Nationale d'Administration, Gérard de La Martinière held several positions in the French Finance Ministry before serving as Secretary General of Commission des Opérations de Bourse and General Manager of Société des Bourses Françaises. In 1989, he joined AXA, where he was appointed Executive Vice President, Holding Companies and Corporate Functions in 1993, member of the Management Board in 1997 and Executive Vice President, Finance, Budget Control and Strategy in 2000. Mr. de La Martinière left AXA in 2003 to become Chairman of Fédération Française des Sociétés d'Assurances (F.F.S.A), a position he held until October 2008.

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(1): Held directly or through a corporate mutual fund

**Independent member according to the definition contained in the AFEP-MEDEF corporate governance guidelines.*

Noël Forgeard *

Age: 63

Business address: 85 Avenue Wagram, 75017 Paris, France

250 Schneider Electric SA shares

First elected: 2005/Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Member of the Committee of France Galop; principal shareholder of Carbone forgé.
- Previous directorships and functions held in the past five years: Chairman and Chief Executive Officer of Airbus SAS; Chairman of the Board of Directors of Airbus France; Chairman or Director of various Airbus subsidiaries; Director of **EADS** (Netherlands), **Schneider Electric SA**, **Arcelor** and **Dassault aviation**; Director of Ecole Polytechnique; Chief Executive Officer of **EADS**.

Expertise and experience

A graduate of Ecole Polytechnique and Ecole des Mines, Noël Forgeard began his career in the French civil service before joining Usinor subsidiary Compagnie Française des Aciers Spéciaux. In 1986, he served as an advisor on industrial issues in Prime Minister Jacques Chirac's office. In 1987, he joined Lagardère, where he headed Matra's defense and space divisions. Five years later, he became Chairman and Chief Executive Officer of Matra Haute Technologie and joint Chief Executive Officer of the Lagardère Group. In 1998, he was appointed Director and General manager of GIE Airbus-Industrie, and in 2000, CEO of Airbus SAS. From July 1, 2005 to July 1, 2006 he was co-Executive Chairman of EADS.

Jérôme Gallot *

Age: 50

Business address: CDC Entreprises, 137 rue de l'Université - 75007 Paris, France

250 Schneider Electric SA shares

First elected: 2005/Term ends: 2012

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Chairman of CDC Entreprises SAS, CDC Entreprises Elan PME, FSI PME Portefeuille and Consolidation et Développement Gestion; Member of the Management Board of Groupe CDC; Member of the Executive Committee of Fonds Stratégique d'Investissement; Director of **Nexans SA**, **Icade SA**, Caixa Seguros SA (Brazilian subsidiary of CNP), **Plastic Omnium** and Caisse Nationale de Prévoyance (**CNP Assurances SA**); Non-voting director of OSEO (EPIC) and **NRJ Group SA**.
- Previous directorships and functions held in the past five years: Senior Executive Vice President, Caisse des Dépôts et Consignations; Director of **Schneider Electric SA**, Crédit Foncier de France, Galaxy Fund and Galaxy Management Services; Chairman of Sicav Austral; Member of the Supervisory Board of Compagnie Nationale de Rhône (CNR).

Expertise and experience

Jérôme Gallot is a graduate of Institut d'Etudes Politiques de Paris and Ecole Nationale d'Administration. After three years with the Cour des Comptes, he served as an advisor to the Secretary General of the interministerial committee for European economic cooperation, from 1989 to 1992, and then moved the Budget department. He was then Chief of Staff in a number of French ministries, from 1993 to 1997. In 1997, he was appointed Director of the Competition, Consumer Affairs and Anti-Fraud Division of

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the Ministry of the Economy and Finance. He left this position in 2003 to become Senior Executive Vice President at Caisse des Dépôts et Consignations. He was appointed Chairman of CDC Entreprises and Member of the Management Board of Caisse des Dépôts in September 2006. In January 2009, he was appointed member of the Executive Committee of Fonds Stratégique d'Investissement.

Willy R. Kissling *

Age: 65
Business address: Poststrasse no. 4, BP - 8808 Pfaeffikon (Switzerland)
724 Schneider Electric SA shares
First elected: 2001/Term ends: 2012

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Member of the Board of Directors **Cleantech Invest AG**; Chairman of the Board of Directors of Grand Resort Bad Ragaz AG; Member of European Advisory Board of Booz & Co.
- Previous directorships and functions held in the past five years: Director of **Schneider Electric SA** and **Holcim Ltd** (cement); Chairman of the Board of Directors of **Unaxis Corporation** (renamed **OC Oerlikon Corp**); Vice Chairman and later Chairman of **Forbo Holding AG** and **SIG Holding Ltd**.

Expertise and experience

Willy Kissling, a Swiss citizen, holds diplomas from the University of Bern and Harvard University. He began his career at Amiantus Corporation and then joined Rigips, a plasterboard manufacturer, in 1978. He was appointed to the Rigips Executive Committee in 1981 and subsequently became Chairman. From 1987 to 1996, Mr. Kissling served as Chairman and Chief Executive Officer of Landis & Gyr Corporation, a provider of services, systems and equipment for building technology, electrical contracting and pay phones. From 1998 to 2005, he was Chairman of Unaxis Corporation (since renamed OC Oerlikon Corp.).

Cathy Kopp *

Age: 60
Business address: 22 Square de l'Alboni - 75016 Paris, France
250 Schneider Electric SA shares
First elected: 2005/Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Director of **Dexia** (as from February 2008); Member of the Board of Ecole Normale Supérieure (Paris); Member of the Board of Fondation SNCF; Member of Haut Conseil de l'Intégration.
- Previous directorships and functions held in the past five years: Non-voting Director of **Schneider Electric SA**; Vice President, Corporate Human Resources and member of the Executive Committee of **LVMH**; Corporate Human Resources and member of the Executive Committee of **ACCOR**; member of the board of Haute Autorité de Lutte contre les Discriminations (Halde), France's equal opportunities commission.

Expertise and experience

After earning a degree in mathematics, Cathy Kopp joined IBM France in 1973. In 1992, she became Human Resources Director at IBM France. In 1996, she was appointed Vice President Human Resources at IBM Corp.'s Storage Systems Division. In 2000, Ms. Kopp became Chairman and CEO of IBM France. From 2002 to 2009, she served as Human Resources General Manager at Accor. Ms. Kopp is Chairman

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of the employee relations commission of the Service Industry Group of the French employers' federation (Medef in 2009). She led the Medef's inter-industry negotiations on diversity in 2006 and on modernizing the labor market in 2007.

James Ross *

Age: 71

Business address: Flat 4, 55 Onslow Square - London SW7 3LR England

300 Schneider Electric SA shares

First elected: 1997/Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Director of **Prudential plc**; Chairman of Leadership Foundation for Higher Education; Chairman of Liverpool School of Tropical Medicine.
- Previous directorships and functions held in the past five years: Director of **McGraw-Hill Inc.**; Director of **Schneider Electric SA** and of Datacard Inc.; Chairman of Littlewoods plc; Chairman of **National Grid**; Vice Chairman of **National Grid Transco**.

Expertise and experience

James Ross, a British subject, is a graduate of Oxford University. In 1959 he joined BP, where he held several positions before becoming a Managing Director in 1991. He was appointed Managing Director of Cable & Wireless plc in 1992, Chairman of Littlewoods plc in 1996 and Chairman of National Grid plc in 1999.

G. Richard Thoman *

Age: 65

Business address: Corporate Perspectives, LLC - 126 East 56th Street, 9th Floor - New York NY 10022 (USA)

250 Schneider Electric SA shares

First elected: 2007/Term ends: 2012

Other directorships and functions in French or foreign companies

- Currently: Member of the Supervisory Board of **Schneider Electric SA**; Managing Partner of Corporate Perspectives (consulting); Member of the Board of Advisors of INSEAD, the French American Foundation, the Americas Society, the Council of the Americas, McGill University School of Management and the Fletcher School; Adjunct Professor at Columbia University and the Fletcher School; Member of the Trilateral Commission and the Council on Foreign Relations; Business Executives for National Security; New York Economics Club.
- Previous directorships and functions held in the past five years: Member of the Board of Directors of Union Bancaire Privée (Geneva);

Expertise and experience

G. Richard Thoman has a unique background as one of the top five CEOs of four Fortune 75 companies in three different industries: financial services, food and beverages and technology.

Mr. Thoman began his career at Citibank after receiving his BA from McGill University in Montreal and MA, MALD and PhD from Fletcher School of Law and Diplomacy (a partnership between Tufts University and Harvard). He also graduated from Hautes Etudes Internationales in Geneva. After working with Exxon Finance and McKinsey, he became Chairman and co-CEO of American Express Travel Related Services. In 1992, he was appointed President and CEO of Nabisco International. In

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1993, he joined IBM as Senior Vice President, Personal Systems Group, later becoming CFO. He served as President and CEO of Xerox from April 1999 to May 2000. Mr. Thoman is currently Managing Partner of Corporate Perspectives and is on the faculty of several US universities.

Non-voting member

Claude Bébéar

Age: 74

Business address: AXA, 25 Avenue Matignon, 75008 Paris, France

264 Schneider Electric SA shares

First elected: 2004/Term ends: 2010

Other directorships and functions in French or foreign companies

- Currently: Non-voting member of the Supervisory Board of **Schneider Electric SA**; Director of AXA Assurances Vie Mutuelle, AXA Assurances IARD Mutuelle and **BNP-Paribas**; Member of the Supervisory Board of **Vivendi**.
- Previous directorships and functions held in the past five years: Chairman of the Supervisory Board of **AXA**, Chairman and Director of various **AXA** subsidiaries, including AXA Financial; Chairman and Chief Executive Officer of **Finaxa**; Director of **Schneider Electric SA**.

Expertise and experience

A graduate of Ecole Polytechnique, Claude Bébéar joined in 1958 the mutual insurance company that would become AXA in 1985. He was appointed Chairman and Chief Executive Officer of the company in 1975.

From late 1996, when AXA merged with UAP, until 2000, when he was appointed Chairman of the Supervisory Board, Mr. Bébéar served as Chairman of AXA's Management Board and Chairman of its Executive Committee. Mr. Bébéar resigned as Chairman of the Supervisory Board in April 2008 to become Honorary Chairman of AXA.

Note: Boldface type indicates companies whose shares trade on a regulated market

**Independent member according to the definition contained in the AFEP-MEDEF corporate governance guidelines.*

Management Board (as of December 31, 2009)

Chairman of the Management Board and CEO

Jean-Pascal Tricoire

Age: 46

Business address: Schneider Electric, 35 rue Joseph Monier, 92500 Rueil-Malmaison, France

17,786 (1) Schneider Electric SA shares

First appointed: 2006/Term ends: 2012

Other directorships and functions in French or foreign companies

- Currently: Chairman of the Management Board of **Schneider Electric SA**, Chairman and Chief Executive Officer of Schneider Electric Industries SAS, Director of Schneider Electric USA Inc (USA).
- Previous directorships and functions held in the past five years: Director of Clipsal Asia Holding Limited, Digital Electronics Corporation, Schneider Electric (Australia) Pty Limited, Schneider Electric New Zealand Holding Limited, PT Schneider Indonesia, Schneider Electric Japan Ltd, Schneider Electric Japan Holding Ltd, Schneider Electric Venezuela SA, Schneider Toshiba Inverter SAS and PDL Holding Ltd.

Expertise and experience

After graduating from ESEO Angers and obtaining an MBA from EM Lyon, Jean-Pascal Tricoire spent his early career with Alcatel, Schlumberger and Saint Gobain. He joined the Schneider Electric Group (Merlin Gerin) in 1986. Between 1988 and 1999, he held a variety of line positions with international subsidiaries in Italy (five years), China (five years) and South Africa (one year). On his return to France, he joined the headquarters team, serving from 1999 to 2001 as Vice President, Strategic Global Accounts with specific responsibility for the Schneider 2000+ program. From January 2002 to the end of 2003, he was Executive Vice President of Schneider Electric's International Division. In October 2003, he was appointed Chief Operating Officer, before becoming Chairman of the Schneider Electric Management Board on May 3, 2006.

Member of the Management Board

Emmanuel Babeau

Age: 42

Business address: Schneider Electric, 35 rue Joseph Monier, 92500 Rueil-Malmaison, France

300 (1) Schneider Electric SA shares

First appointed: 2009/Term ends: 2012

Other directorships and functions in French or foreign companies

- Currently: Chairman of the Board of Directors of Schneider Electric Services International; Director of Schneider Electric Industries S.A.S., Schneider Electric France and Schneider Electric USA.
- Previous directorships and functions held in the past five years: Group Deputy Managing Director in charge of Finance at **Pernod Ricard**.

Expertise and experience

Emmanuel Babeau began his career at Arthur Andersen in late 1990 after graduating from Ecole Supérieure de Commerce de Paris (ESCP). In 1993, he joined Pernod Ricard as an internal auditor. He was appointed head of internal audit, the corporate treasury center and consolidation in 1996. Mr. Babeau subsequently held several executive positions at Pernod Ricard, notably outside France, before becoming Vice President, Development in 2001, CFO in June 2003 and Group Deputy Managing Director in charge of Finance in 2006. He joined Schneider Electric in the first half of 2009.

Note: Boldface type indicates companies whose shares trade on a regulated market

(1): Held directly or through a corporate mutual fund

Summary Business Review

• Revenue

Consolidated revenue totaled € 15,793 million for the year ended December 31, 2009, down 13.8% on a current structure and currency basis from the year before. Negative organic growth reduced revenue by 15.7%, while acquisitions net of disposals added 1.3% and the positive currency effect 0.6%.

Revenue improved steadily in the third and fourth quarters after reaching a low in the second.

The breakdown by region on a constant structure and currency basis was as follows:

<i>Millions of euros</i>	2009 revenue	2009 organic growth
Europe	6,423	- 18.5%
North America	4,356	- 19.9%
Asia-Pacific	3,278	- 9.7%
Rest of the World	1,736	- 2.4%
Total	15,793	- 15.7%

Operations in the new economies outperformed those in mature economies by ten points, reflecting the growing momentum in certain emerging markets.

• EBITA

Earnings before Interest, Tax and Amortization of purchase accounting intangibles (**EBITA**) and before restructuring costs and exceptional gains totaled € 2,044 million.

- Productivity and structural adaptation drove cost down by **€ 646 million**. Support function costs were down by **€ 541 million**, thanks to simplification effort across geographies and businesses. However, R&D spending was kept stable to support long term growth. Strong ramp-up of industrial productivity in second half 2009 resulted in **€ 105 million** of full-year savings related to purchasing, rebalancing and lean manufacturing, despite the negative impact of fixed costs under-absorption linked to the volume decline
- Positive pricing impact added **€ 152 million** of profit, partly offsetting the negative impact of currency fluctuations (**-€ 88 million** at group level),

- Favorable raw material impact provided a benefit of **€ 144 million**, while labor inflation was limited at **€ 50 million**.

The benefits of these actions substantially offset the following volume and mix related impact on margin:

- Volume effect was a negative **€ 1,305 million**, as a result of the sharply lower volume in a tough business environment.
- Mix impact was at **-€ 244 million**, reflecting the relative weakness of some more profitable product lines and geographies.

Lastly, acquisitions net of divestments had a negative **€ 3 million** impact.

A one-off gain of **€ 92 million** related to US pension curtailment was included in the EBITA before restructuring costs of € 2,136 million, but was restated in the operating figures mentioned for better comparability.

• Operating margin

EBITA margin before restructuring costs and exceptional gains stood at 12.9%.

By region, Rest of the World and Asia-Pacific showed the best resilience with their EBITA margin before restructuring cost down 0.2 point only to **16.4%** and 0.3 point to **16.0%**, respectively. Europe posted a margin of **15.1%**, down 4.0 points versus prior year but showed sequential improvement in the second half 2009. North America remained impacted by the downturn, with margin down 4.0 points to **12.9%**.

By division, Critical Power posted 1.0 point margin improvement over prior year, with margin at all time high of **15.8%**. Electrical Distribution profitability was **17.0%**. Automation & Control, still severely hit by the steep fall in industrial markets, posted a margin of **9.6%** but improved in the second half of the year.

• Net profit

Adjusted net income was **€ 1,060 million**, down 41% compared to 2008.

After non-recurring items, Group share in net income was **€ 852 million**.

The net income includes impairment of goodwill and intangibles for € 120 million (€ 70 million in

2008), primarily related to the customized sensors (CST) business unit.

Financial expenses amounted to € 384 million, including the financial discounting of defined benefit plan obligations (for € 56 million).

• **Earnings per share**

Earnings per share came to **€ 3.43**, reflecting the exceptional items described above.

• **Free cash flow**

Free cash flow was at record high, exceeding prior year by 13.6% to **€ 1,971 million**, or **12.5%** of sales (9.5% in 2008), reflecting the remarkable cash control under tough business conditions.

Operating cash flow was € 1,734 million. Excellent working capital management resulted in a significant reduction of working capital requirements, freeing up € 813 million of cash. Net investment was € 576 million, down € 117 million compared to prior year. While investment in research and development was kept stable, capital expenditure had been reduced by € 133 million or 27%.

• **Financial position and cash**

Strong cash generation reduced Schneider Electric's net debt by 38% to **€ 2,812 million** (€ 4,553

million in 2008). The net debt-to-equity ratio was **23.7%** at December 31, 2009, a 17.5 point improvement compared to previous year.

Therefore, despite lower profits, the Group's net debt to EBITDA ratio further declined to **1.2x** compared to 1.4x in 2008.

Schneider Electric has total liquidity of **€ 6.3 billion**, including cash & cash equivalents of **€ 3.5 billion** as of year end 2009, in addition to available committed credit lines of **€ 2.8 billion**. Therefore, the Group has ample liquidity to finance the € 1.1 billion acquisition of the Areva distribution business and retire debt in 2010.

• **New Organization**

To accelerate its move in solutions and services, Schneider Electric decides to adapt its organization to align with end-user segmentation as announced under the One Company Program. From 2010 onwards, Schneider Electric will be organized by 5 businesses: **Power, IT, Industry, Buildings and CST**. With this change, the Group can better leverage its integrated portfolio of offers enabled by a common architecture (*EcoStruxure*TM) to address the specific needs of each of its key end-markets.

From 2010, Schneider Electric will report sales and results under the new organization. The key 2009 figures by business are as follows:

<i>€ millions</i>	Sales Full year 2009	EBITA before restructuring costs and one-off gain	EBITA margin before restructuring costs and one-off gain (% of sales)
Power	9,137	1,558	17.1%
Industry	2,665	255	9.6%
IT	2,366	375	15.8%
Buildings	1,268	132	10.4%
CST	357	20	5.6%
Holding		-297	

• **Outlook**

The improving market dynamic of the new economies and the rebound of the industry and data centers activities should support growth in 2010. However, the market environment in the mature markets remains uncertain and demand in these markets is expected to remain relatively soft.

Assuming current economic conditions, Schneider Electric targets a return to topline growth in 2010 at low single-digit (on organic basis) and an improvement of profitability with an EBITA margin of around 14% before restructuring cost (and before any impact of integration of Areva Distribution upon closing).

FIVE-YEAR FINANCIAL SUMMARY

	2005	2006	2007	2008	2009
CAPITAL AND POTENTIAL CAPITAL AT DECEMBER 31					
Capital stock (in thousands of Euros)	1,812,954	1,821,587	1,962,395	1,979,405	2,102,016
Shares in issue.....	226,619,227	227,698,348	245,299,366	247,425,629	262,752,025
Convertible bonds in issue (in thousands)	–	–	–	–	–
Maximum number of shares to be created (in thousands)					
• through conversion of bonds.....	–	–	–	–	–
• through exercise of rights.....	10,126	10,174	9,382	9,183	9,860
RESULTAT OF OPERATIONS					
(in thousands of Euros)					
Sales net of VAT.....	2,868	1,735	946	1,906	2,419
Investment revenue, interest income and other revenue	507,001	812,373	747,914	1,623,715	723,928
Income before tax, depreciation, amortization and provisions	411,950	683,335	136,259	1,087,409	393,238
Income tax	278	4,304	11,099	10,883	13,244
Net income	450,793	887,825	226,643	1,147,592	475,753
Dividends paid ⁽¹⁾ excluding <i>précompte</i> equalization tax and tax credit	509,893	683,095	809,488	853,618	⁽²⁾ 538,642
PER SHARE DATA					
(in Euros)					
Net income before depreciation, amortization and provisions	2.12	3.92	0.51	4.72	1.71
Earnings per share	1.99	3.90	0.92	4.64	1.81
Dividend per share, net of tax credit	2.25	3.00	3.30	3.45	⁽²⁾ 2.05
EMPLOYEES					
Average number of employees during the year.....	3	2	2	1	2
Total payroll for the year (in thousands of Euros)	4,446	3,648	4,291	4,376	3,859
Total employee benefits paid over the year (payroll taxes, other benefits) (in thousands of Euros)	690	1,194	2,606	1,374	2,004

(1) Dividends paid to shares held in treasury on the dividend payment date and the associated *précompte* tax are credited to retained earnings.

(2) Pending approval by shareholders at the Annual Meeting of April, 22, 2010.

Agenda

Combined Annual and Extraordinary Shareholders' Meeting

The Management Board has called you to meeting to:

- (I) Approve the annual financial statements, approve a regulated agreement and set the dividend.
- (II) Re-elect certain members of the Supervisory Board.
- (III) Re-appoint the Statutory Auditors.
- (IV) Renew financial authorizations to buy back Schneider Electric SA shares, issue shares to employees and increase the capital as part of a private placement.

I. Approval of the annual financial statements and regulated agreements and payment of a dividend (resolutions one through five)

In the first two resolutions, shareholders are asked to approve the parent company's financial statements and the consolidated financial statements for the year ended December 31, 2009. Schneider Electric SA recorded net profit of € 475.7 million for the year. Profit attributable to equity holders of the parent came to € 852 million, for earnings per share of € 3.43.

In the third resolution, shareholders are asked to appropriate profit available for distribution and approve the payment of a dividend of **€ 2.05** per share, representing a 50% payout of adjusted net profit. This recommendation is based on the quality results obtained in 2009, notably the Group's strong cash generation.

Individual shareholders resident in France will be entitled to:

- Deduct 40% from the amount included in taxable income, as provided for in Article 158-3-2 of the French Tax Code.
- Deduct an annual total of (i) € 1,525 for persons who are single, divorced, widowed, or married and filing separately, or (ii) € 3,050 for married or legally recognized couples filing a joint tax return, in accordance with the new provisions of Article 158-3-5 of the French Tax Code.

If our recommendation is approved, shareholders will be given the option of receiving their dividend in cash or reinvesting their dividend in Schneider Electric shares on the basis of **€ 2.05** worth of new shares. **The ex-dividend date will be May 4, 2010.**

Shareholders may request reinvestment from their stockbroker or bank at any time between **May 4, 2010 and the close of business on May 19, 2010.**

Shareholders who elect to receive their dividend in cash will be paid in euros on **June 1, 2010**. Shares purchased under the reinvestment option will also be settled on June 1, 2010.

In accordance with the law, the price of the shares purchased by reinvesting the dividend will be equal to 90% of the average opening price quoted on the NYSE-Euronext Paris stock exchange over the twenty trading sessions preceding the date of the Meeting, less the amount of the dividend.

If the amount of the reinvested dividend does not correspond to a whole number of shares, the shareholder may:

- Purchase the next higher whole number of shares by paying the difference in cash when the reinvestment option is exercised, or
- Purchase the next lower whole number of shares and receive the difference in cash.

Shares purchased under the reinvestment option will carry dividend rights from January 1, 2010.

In the fourth resolution, shareholders are asked to place on record the Statutory Auditors' report on regulated agreements signed in 2009 or signed and approved in previous years. They include:

- The shareholders' agreement with AXA concerning cross-shareholdings between AXA and Schneider Electric authorized by the Board of Directors on January 6, 2006.
- Measures defining Jean-Pascal Tricoire's new status. In accordance with AFEP-MEDEF guidelines, Mr. Tricoire resigned from his service contract when he was reappointed Chairman of the Management Board on May 3, 2009. Mr. Tricoire's new status, which took effect on May 3, 2009, was approved by shareholders in Annual Meeting. Under this agreement, Mr. Tricoire:
 - Benefits from the top hat pension plan for Schneider Electric senior executives, the Schneider Electric SA employee benefit plan and the supplementary health, disability and death coverage available to the Group's senior executives.
 - Is bound by a non-compete agreement.
 - Is entitled to compensation in the event of termination, capped at 24 months of his target remuneration taking into account compensation provided for in the non-compete agreement described above and provided that he resigns, is terminated or is not re-appointed following a material change in Schneider Electric's shareholder structure or a re-orientation of the strategy pursued and promoted by him until that time. The amount due will be subject to performance criteria.
 - Retains all unvested stock options, stock grants and performance stock grants should he leave the Company, subject to performance criteria.

In the fifth resolution, shareholders are asked to approve the decision to allow Emmanuel Babeau to join the top hat pension plan for French senior executives provided for in his service contract with Schneider Electric Industries SAS. The plan is described in the Statutory Auditors' special report pursuant to article L.225-88 of the French Commercial Code and in accordance with the provisions of article L.225-86 of said code.

II. Re-election of members to the Supervisory Board (resolutions six through eleven)

- In resolutions six through eleven, shareholders are asked to re-elect certain members to the Supervisory Board:
 - Henri Lachmann and James Ross for a two-year term, due to the statutory age limit.
 - Cathy Kopp, Noël Forgeard, Gérard de la Martinière and Serge Weinberg for a four-year term.

Cathy Kopp, Noël Forgeard and Serge Weinberg are independent members as defined by the AFEP/MEDEF guidelines. Gérard de la Martinière is also considered an independent member, even though he has been a member of the Supervisory Board or Board of Directors for more than 12 years, in light of his personality and his involvement in discussions on the operation of audit committees in France. James Ross, on the other hand, is no longer considered an independent member as he has been on the Board for more than 12 years.

These proposals are made by the Supervisory Board based on advice from the Remunerations and Appointments & Corporate Governance Committee.

III. Re-appointment of the Statutory Auditors (resolutions twelve through fifteen)

The appointments of the Statutory Auditors (Ernst & Young et Autres and Mazars) and the Substitute Auditors expire at the end of the General Meeting called in 2010 to approve the 2009 financial statements.

In the twelfth and fourteenth resolutions, shareholders are asked to re-appoint Ernst & Young et Autres and Mazars as Statutory Auditors for a period of six years, expiring at the close of the Annual Shareholders' Meeting to be called in 2016 to approve the 2015 financial statements. In the thirteenth and fifteenth resolutions, shareholders are asked to appoint Auditex and Thierry Blanchetier Substitute Auditors for a similar six-year term.

These proposals are made by the Supervisory Board based on advice from the Audit Committee.

IV. Renewal of financial authorizations (resolutions sixteen, seventeen, eighteen and nineteen)

a) Share buybacks

In the sixteenth resolution, shareholders are asked to renew the authorization given to the Company to buy back its shares in accordance with the provisions of articles L.225-209 et seq. of the French Commercial Code. The shares could be bought back to reduce the issued capital, or in connection with stock option plans, or plans to grant shares without consideration, or to permit the conversion of convertible debt securities, or to finance an acquisition, or for the purpose of market making under a liquidity agreement. The maximum purchase price is set at € 100 per share. Pursuant to the authorization granted by shareholders in 2009, the Company maintained a liquidity contract with a broker during the year. The contract was terminated on December 31, 2009.

b) Capital increase as part of a private placement

The French Monetary and Financial Code has made it possible for companies to carry out capital increases through private placements with the goal of optimizing access to capital markets under the best terms and conditions. The private placements are issues without pre-emptive subscription rights that would exclusively concern (i) individuals or entities providing portfolio management services and (ii) qualified investors or a restricted group of investors, provided that these investors are acting on their own behalf.

In the seventeenth resolution, shareholders are asked to authorize the Management Board to increase the share capital by up to 5 percent as part of a private placement. The issue price will be at least equal to:

- (i) The weighted average price quoted for the shares on the NYSE Euronext Paris stock exchange over a maximum period of six months preceding the issue pricing date, or
- (ii) The average price weighted by trading volume on the NYSE Euronext Paris stock exchange on the trading day preceding the issue pricing date, less, if appropriate, a discount of up to 5 percent. The Management Board will be authorized to select either (i) or (ii) at its discretion.

Any issues carried out pursuant to this authorization will be included in the 18% ceiling set in the eleventh resolution of the General Meeting of April 23, 2009.

c) Renewal of authorizations to issue shares to employees

Issuance of shares to employees

In the eighteenth resolution, shareholders are asked to grant the Management Board the necessary powers to issue shares to employees who are members of the Employee Stock Purchase Plan within a limit of 2% of the Company's issued capital. Under this 26-month authorization, the maximum discount at which shares may be offered under the Employee Stock Purchase Plan is set at 20%.

The nineteenth resolution involves making employee share ownership possible in certain countries where legislation or local practices are incompatible with the rules of the Employee Stock Purchase Plan. In this resolution, shareholders are asked to authorize the Management Board to issue shares to

employees of Group companies outside France. The shares issued under the authorization would not exceed 1% of the capital. They would be deducted from the ceiling of 2% of the capital set for the issuance of shares to employees who are members of the Employee Stock Purchase Plan. The shares could be issued at a maximum discount of 20% to the quoted price of Schneider Electric shares. The authorization would be given for a period of 18 months.

These authorizations would cancel and replace the unused portion of the similar authorizations approved by shareholders at the General Meeting of April 23, 2009. The Supervisory Board has authorized the Management Board to issue new shares to members of the Employee Stock Purchase Plan during within a limit of 1% the Company's issued capital. The employee share issue should be carried out in early June 2010.

RESOLUTIONS

RESOLUTIONS TO BE VOTED ON IN ANNUAL MEETING

■ FIRST RESOLUTION

(2009 parent company financial statements)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, having heard the reports of the Management Board and the Auditors, and noting the Supervisory Board's comments on the Management Board's report and on the parent company financial statements, approves the transactions and parent company financial statements for the year ended December 31, 2009, as presented by the Management Board. These financial statements show a net profit for the year of € 475,753,436.55.

■ SECOND RESOLUTION

(2009 consolidated financial statements)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, having heard the reports of the Management Board and the Auditors, and noting the Supervisory Board's comments on the Management Board's report and on the consolidated financial statements, approves the transactions and consolidated financial statements for the year ended December 31, 2009, as presented by the Management Board.

■ THIRD RESOLUTION

(Appropriation of profit for the year, dividend and dividend reinvestment option)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, approves the Management Board's recommendations and accordingly resolves to appropriate as set out below income available for distribution, consisting of:

- (i) Retained earnings of € 322,372,983.07
- (ii) Net income for the year of € 475,753,436.55
- (iii) Less the statutory allocation to the legal reserve of € 12,261,116.80 representing a total amount to be appropriated of € 785,865,302.82

To the payment of a dividend	€ 538,641,651.20
To retained earnings	€ 247,223,651.62
Total	€ 785,865,302.82

The dividend will amount to € 2.05 for each of the 262,752,025 € 8 par value shares carrying rights to the 2009 dividend that were outstanding at December 31, 2009.

The full dividend will be eligible for the 40% deduction for individuals resident in France provided for in article 158-3-2 of the French Tax Code. This deduction will not apply if the shareholder has chosen to pay the flat-rate withholding tax on his or her dividends, as provided for in article 117 quater of the French Tax Code.

Unpaid dividends on shares held in treasury as of the ex-dividend date will be allocated to retained earnings.

Apart from the dividend described above, no other amounts eligible or not eligible for the 40% deduction provided for in article 158-3-2 of the French Tax Code will be distributed.

Dividend payments for the last three years were as follows:

	2006	2007	2008
Dividend (1)	3.00	3.30	3.45

(1) Full dividend eligible for a 40% deduction for individuals resident in France as of January 1, 2006, 2007 and 2008. No non-eligible dividends have been distributed.

Shareholders shall be given the option of reinvesting their dividend in Schneider Electric shares, on the basis of € 2.05-worth of new shares for each share owned, by requesting reinvestment from their stockbroker or bank at any time between May 4, 2010 (the ex-dividend date) and the close of business on May 19, 2010.

Shareholders who elect to receive their dividend in cash will be paid in euros on June 1, 2010, after the close of the dividend reinvestment period.

In accordance with the law, the price of the shares purchased by reinvesting the dividend will be equal to 90% of the average opening price quoted on the NYSE-Euronext Paris stock exchange over the twenty trading sessions preceding the date of this Meeting, less the amount of the dividend.

If the amount of the reinvested dividend does not correspond to a whole number of shares, the shareholder may:

- Purchase the next higher whole number of shares by paying the difference in cash when the reinvestment option is exercised, or
- Purchase the next lower whole number of shares and receive the difference in cash.

Shares purchased under the reinvestment option will be settled on June 1, 2010 and carry dividend rights from January 1, 2010.

The Management Board shall have full powers to implement this resolution, to place the resulting capital increase on record and to amend the Company's bylaws to reflect the new capital.

■ **FOURTH RESOLUTION**

(Approval of the report on regulated agreements signed in 2009 and previous years)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings and having heard the Auditors' Special Report on agreements governed by articles L.225-38, L.225-86, L.225-90-1, L.225-79-1 of the French Commercial Code, notes the agreements signed and commitments made in 2009 and previous years, as presented in this report.

■ **FIFTH RESOLUTION**

(Approval of decision to allow Emmanuel Babeau to join the top hat pension plan for French senior executives)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings and having heard the report of the Management Board and the Auditors' special report on agreements governed by articles L.225-86, L.225-90-1 and L.225-79-1 of the French Commercial Code, presented in accordance with article L.225-88 of said Code, approves the decision to allow Emmanuel Babeau to join the top hat pension plan provided to Schneider Electric's French senior executives.

■ **SIXTH RESOLUTION**

(Re-election of Henri Lachmann as a member of the Supervisory Board)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-elects Henri Lachmann as a member of the Supervisory Board for a period of two years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

■ SEVENTH RESOLUTION

(Re-election of Serge Weinberg as a member of the Supervisory Board)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-elects Serge Weinberg as a member of the Supervisory Board for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2014 to approve the 2013 financial statements.

■ EIGHTH RESOLUTION

(Re-election of Gérard de la Martinière as a member of the Supervisory Board)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-elects Gérard de la Martinière as a member of the Supervisory Board for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2014 to approve the 2013 financial statements.

■ NINTH RESOLUTION

(Re-election of Noël Forgeard as a member of the Supervisory Board)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-elects Noël Forgeard as a member of the Supervisory Board for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2014 to approve the 2013 financial statements.

■ TENTH RESOLUTION

(Re-election of Cathy Kopp as a member of the Supervisory Board)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-elects Cathy Kopp as a member of the Supervisory Board for a period of four years, expiring at the close of the Annual Shareholders' Meeting to be called in 2014 to approve the 2013 financial statements.

■ ELEVENTH RESOLUTION

(Re-election of James Ross as a member of the Supervisory Board)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-elects James Ross as a member of the Supervisory Board for a period of two years, expiring at the close of the Annual Shareholders' Meeting to be called in 2012 to approve the 2011 financial statements.

■ TWELFTH RESOLUTION

(Reappointment of a Statutory Auditor)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-appoints Ernst & Young et Autres as Statutory Auditor for a period of six years, expiring at the close of the Annual Shareholders' Meeting to be called in 2016 to approve the 2015 financial statements.

■ THIRTEENTH RESOLUTION

(Appointment of a Substitute Auditor)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, appoints Auditex as Substitute Auditor of Ernst & Young et Autres for a period of six years, expiring at the close of the Annual Shareholders' Meeting to be called in 2016 to approve the 2015 financial statements.

■ FOURTEENTH RESOLUTION

(Reappointment of a Statutory Auditor)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, re-appoints Mazars as Statutory Auditor for a period of six years, expiring at the close of the Annual Shareholders' Meeting to be called in 2016 to approve the 2015 financial statements.

■ FIFTEENTH RESOLUTION

(Appointment of a Substitute Auditor)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, appoints Thierry Blanchetier as Substitute Auditor of Mazars for a period of six years, expiring at the close of the Annual Shareholders' Meeting to be called in 2016 to approve the 2015 financial statements.

■ SIXTEENTH RESOLUTION

(Authorization to trade in the Company's shares - maximum purchase price: € 100)

The General Meeting, acting with the quorum and majority required for ordinary General Meetings, having heard the report of the Management Board, authorizes the Management Board, in accordance with article L.225-209 of the French Commercial Code, to buy back Company shares for cancellation, or for allotment upon exercise of stock options or share grants or upon conversion of convertible debt securities, or for delivery in exchange for shares in another company as part of an external growth transaction, or for the purpose of market making under a liquidity agreement.

- The maximum number of shares that may be acquired pursuant to this authorization shall not exceed 10 percent of the issued share capital as of the date of this Meeting (representing 26,275,202 shares on the basis of the number of shares outstanding at the last official count on December 31, 2009).
- The maximum purchase price is set at € 100. However, if all or some of the shares acquired pursuant to this authorization are intended to be allotted upon exercise of stock options, in application of articles L.225-177 et seq. of the French Commercial Code, the selling price of the shares in question will be determined in accordance with the provisions of the law governing stock options.
- Share purchases may not exceed an aggregate maximum amount of € 2,627,520,200.
- The shares may be acquired, sold or otherwise transferred by any appropriate method on the market or over the counter, in compliance with current legislation, including through block purchases or sales, the use of all forms of derivatives traded on a regulated market or over the counter, or the use of put or call options including combined puts and calls.
- Shares acquired may also be canceled, subject to compliance with the provisions of articles L.225-204 and L.225-205 of the French Commercial Code and in accordance with the eighteenth resolution of the General Meeting of April 23, 2009.
- The Management Board may adjust the price(s) set above to take into account the effect of any of the following: (i) an issue of bonus shares or increase in the par value of existing shares paid up by capitalizing reserves or earnings, (ii) a stock-split or reverse stock-split, or (iii) more generally, any transaction affecting equity, to account for the impact of such transactions on the share price. Said adjustment will be determined by multiplying the price by the ratio between the number of shares outstanding before and after the transaction.
- The Management Board shall have full powers to implement this resolution, directly or through a representative.
- This authorization will expire at the end of a period of eighteen months from the date of this Meeting.

RESOLUTIONS TO BE VOTED ON IN EXTRAORDINARY MEETING

■ SEVENTEENTH RESOLUTION

(Authorization to increase the capital by a maximum of € 100 million (or 5 percent), by issuing common shares or securities convertible, redeemable, exchangeable or otherwise exercisable for common shares of the Company or one of its subsidiaries, through an offering governed by article L.411-2 II of the French Monetary and Financial Code, in all cases without pre-emptive subscription rights. The price will be set by the Management Board in accordance with procedures approved shareholders at this Meeting)

The General Meeting, acting with the quorum and majority required for extraordinary General Meetings and having heard the report of the Management Board and the Auditors' special report, resolves, in accordance with articles L.225-127, L.225-128, L.225-129, L.225-129-2, L.225-135, L.225-136, L.228-92 and L.228-93 of the French Commercial Code and article L.411-2 II of the French Monetary and Financial Code:

1. To authorize the Management Board, directly or through a representative, to increase the Company's issued share capital on one or several occasions by issuing, with or without consideration, in France or abroad, common shares or securities convertible, redeemable, exchangeable or otherwise exercisable for new or existing common shares in the Company or in any other company in which it holds more than half of the issued capital either directly or indirectly, at any time or on fixed dates, in all cases without pre-emptive subscription rights, through an offering governed by article L.411-2 II of the French Monetary and Financial Code. The securities, governed by articles L.228-91 et seq. of the French Commercial Code, may be denominated in euros or in any other currency or any monetary unit determined by reference to a basket of currencies, and may be paid up in cash or by capitalizing debt.
2. That the aggregate par value of shares issued under this authorization, directly or on conversion, redemption, exchange or exercise of other securities or rights, shall not exceed € 100 million. This ceiling is not cumulative with the ceiling specified in the eleventh resolution and is included in the blanket ceiling set in paragraph 2, point (ii), of the tenth resolution of the General Meeting of April 23, 2009. However, it does not include the par value of any shares to be issued to prevent dilution of the rights of holders of share equivalents in accordance with the law.
3. That this authorization is given for a period of fourteen months from the date of this Meeting.
4. That holders of existing shares shall not have a pre-emptive right to subscribe any securities issued pursuant to this resolution.
5. That this authorization entails the waiver by shareholders of their pre-emptive right to subscribe any common shares issued on redemption, conversion, exchange or exercise of share equivalents issued in application of this resolution.
6. That, in accordance with article L.225-136 of the French Commercial Code, the Management Board may override the price-setting mechanisms provided for by law at the time the authorization is used and freely set the issue price for all common shares or securities issued pursuant to this resolution, providing that the issue price is at least equal to:
 - (i) The weighted average price quoted for the shares on the NYSE Euronext Paris stock exchange over a maximum period of six months preceding the issue pricing date, or
 - (ii) The average price weighted by trading volume on the NYSE Euronext Paris stock exchange on the trading day preceding the issue pricing date, less, if appropriate, a discount of up to 5 percent. The Management Board is authorized to select either (i) or (ii) at its discretion.
7. That the Management Board may reduce the issue to the amount of shares or securities subscribed if the original issue is not fully taken up, in accordance with current legal provisions as of the date the authorization is used.

8. That the Management Board shall have full powers to implement this authorization.

■ EIGHTEENTH RESOLUTION

(Authorization to issue shares to employees who are members of the Employee Stock Purchase Plan)

The General Meeting, acting with the quorum and majority required for extraordinary General Meetings, having considered the report of the Management Board and the Auditors' special report, resolves, pursuant to articles L.3332-1 et seq. of the French Labor Code and L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code, and in accordance with said Commercial Code:

1. To give the Management Board a 26-month authorization from the date of this Meeting to decide on the share capital increase, directly or through a representative, on one or several occasions at its discretion, by issuing shares and share equivalents to the members of an Employee Stock Purchase Plan set up by the Company and by French or foreign subsidiaries or affiliates in accordance with article L.225-180 of the French Commercial Code and article L.3344-1 of the French Labor Code. The maximum nominal amount by which the capital may be increased shall not exceed 2% of the issued capital as of the date on which this authorization is used. The amount of any capital increase carried out under this authorization shall be deducted from the aggregate amount by which the capital may be increased under the tenth and eleventh resolutions of the General Meeting of April 23, 2009.
2. To set the maximum discount at which shares may be offered under the Employee Stock Purchase Plan at 20% of the average of the opening prices quoted for Schneider Electric shares on the NYSE Euronext Paris stock exchange over the twenty trading sessions preceding the date on which the decision is made to launch the employee share issue. However, the General Meeting specifically authorizes the Management Board to reduce the above discount, within legal and regulatory limits, or not to grant any discount, in particular to comply with local legislation in the countries where the shares will be offered.
3. That in the case of an issue of share equivalents, the characteristics of these securities will be determined in accordance with the applicable regulations by the Management Board.
4. That shareholders shall waive their pre-emptive right to subscribe the shares and share equivalents to be issued under this authorization.
5. That shareholders shall waive their pre-emptive right to subscribe the shares issued on redemption, conversion, exchange or exercise of share equivalents attributed in application of this resolution.
6. That, effective June 30, 2010, this authorization shall cancel and replace the unused portion of the authorization given in the sixteenth resolution of the General Meeting of April 23, 2009.
7. That the Management Board shall have full powers, directly or through a representative, to carry out the transactions described in this resolution, to increase the capital and place the increase on record.

■ NINETEENTH RESOLUTION

(Authorization to carry out a share issue restricted to employees of the foreign companies in the Group)

The General Meeting, acting with the quorum and majority required for extraordinary General Meetings and having heard the report of the Management Board and the Auditors' special report, resolves, in accordance with articles L.225-129-2 and L. 225-138 of the French Commercial Code:

1. To authorize the Management Board, directly or through a representative, to increase the share capital on one or several occasions, at its discretion, by issuing shares or share equivalents to the persons falling into the category defined below. Said shares or share equivalents will rank *pari passu* with existing shares. The maximum nominal amount by which the capital may be increased shall not exceed 1% of the issued capital as of the date of this Meeting. The amount of any capital increase carried out under this authorization shall be deducted from the aggregate amount by which the capital may be increased under the eleventh resolution of the General Meeting of April 23, 2009 and the eighteenth resolution tabled at this Meeting.

2. That shareholders shall waive their pre-emptive right to subscribe the shares and share equivalents issued under this resolution and that said shares and share equivalents shall be offered exclusively to persons in one or the other of the following categories: (i) employees and officers of Schneider Electric Group companies that qualify as related companies under article L.225-180 of the French Commercial Code and article L.3344-1 of the French Labor Code that have their headquarters outside France; and/or (ii) corporate mutual funds or other employee stock ownership vehicles, which may or may not be legal entities, whose assets are invested in Schneider Electric SA shares and whose units or shares are held by the persons defined in (i) above; and/or (iii) any bank or bank subsidiary retained by the Company to set up an employee stock ownership or stock purchase plan for the persons defined in (i) above where this enables employees of foreign subsidiaries to benefit from employee stock ownership or stock purchase formulas that are equivalent, in terms of economic benefits, as those available to other Group employees.
3. That the issue price of shares issued under this resolution will be set by the Management Board based on the price quoted for the Company's shares on the NYSE-Euronext Paris stock exchange. At the discretion of the Management Board, said price will be equal to either (i) the opening or closing price of the Company's shares quoted on the trading day the decision of the Management Board setting the issue price is made, or (ii) the average of the opening or closing prices quoted for the Company's shares over the twenty trading sessions preceding the decision of the Management Board setting the issue price under this resolution or under the eighteenth resolution. When setting the issue price for these shares, the Management Board may apply a maximum discount of 20% to the quoted price of Schneider Electric shares as determined in accordance with either (i) or (ii) above. The discount will be determined by the Management Board taking into consideration any specific foreign legal, regulatory or tax provisions that may apply to any beneficiaries governed by foreign law.
4. That the Management Board shall have full powers to use this authorization as provided for by law, including the powers of delegation, subject to the limits and conditions described above. The Management Board shall draw up the list of beneficiaries within the categories defined in this resolution and set the number of shares or share equivalents to be offered to each beneficiary. It may decide to limit the issue to the number of shares subscribed, providing that no less than 75% of the shares or share equivalents offered have been subscribed. In particular, the Management Board shall have full powers to:
 - Decide the characteristics of the securities to be issued, the issue price, the subscription date or period, the terms and conditions of subscription, payment and delivery of the securities, as well as the cum-dividend or cum-interest date, subject to compliance with the applicable laws and regulations.
 - Place the share issue on record, issue shares and share equivalents and amend the bylaws to reflect the new capital.
 - Generally, enter into any and all underwriting or other agreements, take any and all measures and perform any and all formalities related to the issue, quotation and servicing of the securities issued under this authorization and the exercise of the related rights.
5. That, effective June 30, 2010, this authorization shall cancel and replace the unused portion of the authorization given in the seventeenth resolution of the General Meeting of April 23, 2009.

This authorization is given for a period of eighteen months from the date of this Meeting.

■ TWENTIETH RESOLUTION

(Powers)

The General Meeting gives full powers to the bearer of a copy or extract of the minutes of the meeting to carry out all legal filing and other formalities.

Request for information

Ordinary and extraordinary Meeting of April 22rd, 2010 SCHNEIDER ELECTRIC SA

I, the undersigned:

Surname (or company name): _____

Forename: _____

Address: _____

Town / City: _____

Postal Code: _____

Country: _____

Owner of _____ Schneider Electric SA registered shares

Owner of _____ Schneider Electric SA bearer shares,
attached a copy of the shareholding certificate ("attestation de participation") issued by your
intermediary

Hereby request that that I be sent the documents and information relating to the Ordinary and
Extraordinary General Meeting to be held on April 22rd, 2010,

as specified in article R.225-83 of the French Commercial Code

Place of signature _____ date of signature _____ 2010

Signature

Notice: In accordance with article R.225-83 of the French Commercial Code, owners of shares may,
by a single request, have the Company send them the documents and information specified in articles
R.225-81 and R.225-83 of the French Commercial Code in advance of all subsequent general meetings.

Shareholders wishing to take advantage of this option must indicate on this request form that they wish
to do so.

